

STATE MINING AND GEOLOGY BOARD EXECUTIVE OFFICER'S REPORT

For Meeting Date: September 9, 2010

Agenda Item No. 10: Acceptance of California Geological Survey Special Report 209 on Mineral Land Classification for Portland Cement Concrete-Grade Aggregate in the San Gabriel Valley Production-Consumption Region, Los Angeles County, California.

INTRODUCTION: The State Mining and Geology Board (SMGB), based on recommendations from the State Geologist and public input, prioritizes areas to be classified and/or designated. California Geological Survey (CGS) Special Report 209 updates information previously presented in a classification report on Portland cement concretegrade (PCC) aggregate in the San Gabriel Valley Production-Consumption (P-C) Region first published in 1982. The previous report was published by the California Division of Mines and Geology (CDMG; now CGS) as Special Report 143, Part IV (SR 143, Part IV) – Mineral Land Classification of the Greater Los Angeles Area, Part IV, Classification of Sand and Gravel Resources Areas, San Gabriel Valley Production-Consumption Region. Should certain criteria be met, the State Geologist may recommend acceptance of the report by the SMGB. The SMGB is considering accepting the updated report for the classification of mineral resource land for this area.

REGULATORY ASPECTS: Pursuant to PRC 2761(b), "In accordance with a time schedule, and based upon guidelines adopted by the board, the State Geologist shall classify, on the basis solely on geologic factors, and without regard to existing land use and land ownership, the areas identified by the Office of Planning and Research, any area for which classification has been requested by a petition which has been accepted by the board, or any other areas as may be specified by the board, as one of the following:

- (1) Areas containing little or no mineral deposits.
- (2) Areas containing significant mineral deposits.
- (3) Areas containing mineral deposits, the significance of which requires further evaluation."

In accordance with the SMGB's "Guidelines for Classification and Designation of Mineral Lands", the State Geologist may periodically review mineral land classification information in defined study regions to determine if reclassification of the area is necessary, and whether the projected requirements for construction materials for the next 50 years should be revised. The State Geologist subsequently reports the results of such review to the SMGB together with recommendations.



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The SMGB may direct the State Geologist to reexamine mineral lands already classified on the basis of the State Geologist's recommendations, or for other reasons. Any resulting reclassification is treated in the same manner as the original classification, and employs the same marketability and threshold criteria. If these criteria are met, the State Geologist will recommend acceptance of the reclassification report by the SMGB. The 50-year period for purposes of estimating marketability will begin at the time of reclassification.

BACKGROUND: The SMGB, in the fall of 2006, and more recently at its June 14, 2007, regular business meeting, heard a report from SMGB staff on the Mineral Land Classification and Designation Program under the Surface Mining and Reclamation Act of 1975 (SMARA). At its September 13, 2007, regular business meeting, CGS provided a schedule and prioritized program of current and planned activities for mineral land classification and associated projects. The update of the report for the San Gabriel Valley P-C Region was considered moderate priority.

The updated report presented the following conclusions:

- As of January 2009, seven mines, operated by five different mining companies, were producing PCC-grade aggregate in the San Gabriel P-C Region, along with a full range of lower aggregate grades for such products as asphaltic concrete and base.
- The anticipated consumption of aggregate in the San Gabriel Valley P-C Region for the next 50 years (through the year 2058) is estimated to be 911 million tons, of which 638 million tons must be PCC quality.
- Since 1980, permitted PPC-grade aggregate reserves have increased from 280 million tons (a 19-year supply using the 1980 to 2030 projection) to 328 million tons (a 20-year supply using the updated 2009 through 2058 projection.
- About 27 percent, or 1,234 acres, of the 4,642 acres of lands designated by the SMGB in 1984 has been lost to land uses incompatible with mining. This equates to 435 million tons of PCC-grade aggregate resources lost.
- Since the 1984 designation of PCC-grade aggregate resources in the San Gabriel Valley P-C Region, 435 million tons of aggregate resources underlying 1,234 designated acres have been lost to urban development and land filling, and another 406 million tons of aggregate resources have been depleted due to aggregate mining. This has reduced the designated PCC-grade aggregate resources by about 35 percent, from 2,402 million tons to 1,561 million tons.



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 Four additional aggregate resource areas totaling 281 acres and containing 311 million tons of aggregate resources have been identified during the updating of the P-C Region. These areas are not designated.

Based on this preliminary review, the State Geologist has recommended acceptance by the SMGB of this updated mineral land re-classification report.

EXECUTIVE OFFICER'S RECOMMENDATION: Based on the information presented by the State Geologist, the Executive Officer concludes that the updated re-classification report for the San Gabriel Valley P-C Region was prepared in accordance with the SMGB's guidelines, and recommends that the SMGB accept the report.

SUGGESTED MOTION LANGUAGE:

To Accept CGS Special Report 209 on Update of Mineral Land Re-Classification:

Mr. Chairman, in light of the information before the Board today, I move that the Board accept CGS Special Report 209 on the Update of Mineral Land Classification for Portland Cement Concrete-Grade Aggregate in the San Gabriel Valley Production-Consumption Region, Los Angeles County, California.

Respectfully submit	tted:	
Stephen M. Testa		
Executive Officer		

